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COUNTRY USSR

SUBJECT Information Concerning Accounting of
Soviet Coal MinesPLACE
ACQUIREDDATE
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SOURCE

- Coal trusts and railroad stations in the USSR had an extensive bookkeeping and accounting system for handling coal transactions. This system covered the daily recording of coal shipments, the type, quality, turn-over of rolling stock, time spent on loading and unloading, time wasted and many other statistics.
- Upon receiving a cargo of loaded coal from a mine, the railroad station turned over to the mine a copy of a shipping document which contained the following information:
 - Name of the shipper (mine)
 - Name of the receiver (plant, city, etc)
 - Quantity of coal
 - Quality of coal, that is, percentage of ash, sulphur, etc
 - A notation as to whether loading operations were completed by the mine on time
 - The amount of any fines with explanation.
- Each coal mine had its own current account in a branch office of the state bank which received a copy of all shipping documents. Mines were credited on the basis of these documents in an amount computed according to a standardized scale of production cost per ton of various types of coal. From the amounts credited to the mine, the bank deducted the cost of all fines levied for the poor quality of coal shipped, delays in loading and holding up rolling stock, etc. The bank also automatically deducted the amounts needed to meet the following obligations of the mine:
 - The quota of the state loan which was to be distributed among the miners
 - Social security fund
 - Trade union fund
 - Estimated total of the income tax levied
 - Rent

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- f) Cost of all materials received or on order
- g) Cost of fuel
- h) Cost of electric power
- i) Cost of depreciation of all capital goods and equipment.

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Only after all of these obligations were met were the mines authorized to use the remaining balance of the mine credits for monthly pay rolls. Usually the miners (workers and administrative employees) were paid between the 12th and 15th of each month for work done during the preceding month. They may also have received a partial advance payment at the end (25th to 30th) of the current month.

4. Production cost of one ton of coal was made up of the following elements (Assuming that the state plan called for a price of 24 rubles per month):

a) Manpower	11.20 rubles
b) Extra Charges	1.34 "
c) Material	3.90 "
d) Fuel	1.70 "
e) Electric power	3.26 "
f) Depreciation	2.60 "

24.00 rubles per ton

5. The banks computed the amount of credit due a mine by multiplying the number of tons of coal shown on the shipping document by 24 rubles (or current state planned price). Items (b) to (f) Paragraph 4 were automatically deducted from the product and the mine was entitled to receive only the funds set aside for manpower item (a) Paragraph 4. As a rule, the mines did not have enough money in their bank accounts to meet the payroll and had to apply for a state subsidy, sometimes as much as 50% of the total payroll. Before a subsidy was granted, the controlling agencies conducted investigations to determine the people responsible for violations of financial discipline and to prepare charges against them. Thus, the miners often received their pay 10 to 15 days late. Since the coal mines almost always exceeded the planned cost of production, there were numerous inspectors and controllers engaged in endless investigations and surveys.

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